COMMONWEALTH OF MASSACHUSETTS DEPARTMENT OF TELECOMMUNICATIONS AND ENERGY

D.T.E. NO. 01-31

REQUEST: Verizon Massachusetts Information Requests to AT&T Communications

of New England, Inc.

DATE: September 19, 2001

DTE-ATT 1-1: Please provide the following publications (or portions of publications as noted) referenced in Mr. Mayo's testimony.

- a. <u>See p. 6 n.2</u>: "Cross-Subsidization in Telecommunications: Beyond the Universal Service Fairy Tale," <u>Journal of Regulatory</u> Economics, Vol. 2, September 1990.
- b. <u>See p. 7 n.3:</u> David L. Kasserman and John W. Mayo, "Cross-Subsidies in Telecommunications: Roadblocks on the Road to More Intelligent Telephone Pricing," <u>Yale Journal on Regulation</u>, Vol. 11, Winter 1994.
- c. <u>See</u> p. 7 n.4: Rafael DiTella and Alexander Dyck, "The Costs and Benefits of Commitment: The Chilean Experience with Price Cap Regulation," working paper, Harvard Business School, August 2001.
- d. <u>See p. 13 n.8: F.M. Scherer and D. Ross, Industrial Market Structure and Economic Performance</u>, 3rd Edition, Houghton Mifflin, Boston, MA 1990, pp. 500-502.
- e. <u>See p. 14 n.9: P. Milgrom and J. Roberts, "Predation, Reputation and Entry Deterrence," Journal of Economic Theory</u>, Vol. 27, 1982.
- f. See p. 18 n.10: Ross Erikson, David L. Kasserman, and John W. Mayo, "Targeted and Untargeted Subsidy Schemes: Evidence from Post-Divestiture Efforts to Promote Universal Telephone Service," Journal of Law and Economics, Vol. 41, October 1998.
- g. <u>See</u> p. 22 n.15: William M. Landes and Richard A. Posner, "Market Power in Antitrust Cases," 94 <u>Harvard Law Review</u> 94, March 1991.
- h. <u>See p. 23 n.16</u>: Philip Areeda and Louis Kaplow, <u>Antitrust Analysis</u>: <u>Problems, Text, Cases</u>, Little Brown and Company, Boston, MA 1988, p. 574.
- i. See p. 25 n.17: Steve Salop and David Scheffman, "Raising

- Rivals' Costs," American Economic Review 73, May 1983.
- j. <u>See p. 25 n.17</u>: J.A. Ordover, A.O. Sykes, and R.D. Willig, "Nonprice Anticompetitive Behavior by Dominant Firms Toward Producers of Complementary Products," in F.M. Fisher, <u>Antitrust and Regulation: Essays in Honor of John J. McGowan</u>, MIT Press, Cambridge, MA 1985.
- k. <u>See p. 25 n.17</u>: Nicholas Economides, "The Incentive for Non-Price Discrimination by an Input Monopolist," <u>International</u> Journal of Industrial Organization, 1998.
- m. <u>See p. 25 n.17</u>: T.R. Beard, David L. Kasserman, and John. W. Mayo, "Regulation, Vertical Integration and Sabotage," <u>Journal of Industrial Economics</u>, forthcoming.
- n. <u>See</u> p. 32 n.31: George J. Stigler, <u>The Organization of Industry</u> (Homewood, Ill., Richard Irwin, 1968), p. 67.
- o. <u>See p. 37 n.40</u>: Alfred E. Kahn, "The Road to More Intelligent Telephone Pricing," <u>Yale Journal on Regulation</u>, Vol. 1, 1984.
- p. <u>See</u> p. 37 n.40: Alfred E. Kahn and William B. Shew, "Current Issues in Telecommunications Regulation: Pricing," <u>Yale Journal</u> on Regulation, Vol. 4, 1987.
- q. <u>See</u> p. 37 n.40: Steve G. Parsons, "Seven Years After Kahn and Shew: Lingering Myths on Costs and Pricing Telephone Service," Yale Journal on Regulation, Vol. 11, Winter 1994.
- r. <u>See</u> p. 45 n.51: Marius Schwartz, "The Economic Logic For Conditioning Bell Entry into Long Distance on Prior Opening of Local Markets," <u>Journal of Regulatory Economics</u>, Vol. 18, November 2000.
- s. <u>See p. 50 n.57</u>: Peter Diamond and James A. Mirrlees, "Optimal Taxation and Public Production I: Production Efficiency," American Economic Review, Vol. 61, March 1971.

Respondent: J. Mayo

RESPONSE: Please see the attached.